

PJ Name: _____

Subrecipient Name (if applicable): _____

Reviewer: _____ Date: _____

QUESTIONS	ANSWER		NOTES
	Y	N	
A. PROGRAM RECORDKEEPING			
1. Based upon a review of project case files, are all files complete with adequate documentation?			
B. PARTICIPANT ELIGIBILITY			
2. Do project files demonstrate full compliance with participant eligibility requirements—income, ownership, and principal residence?			
3. Are the PJ's HOME income limits consistently observed?			
4. Are there adequate procedures to properly determine the income eligibility of applicants?			
5. Are income verification procedures in place and applied consistently?			
6. Do all applicants certify that the property serves as their principal residence either in the application or elsewhere in the case file?			
7. Are there adequate procedures for documenting the applicant's ownership of the property? (NOTE: A copy of the deed alone is not sufficient.)			
8. If the PJ has placed additional eligibility requirements on applicants, are these requirements non-discriminatory?			
C. FINANCIAL MANAGEMENT			
9. Do project files demonstrate full compliance with eligibility requirements—property type, minimum/maximum HOME investment, property value?			
10. During initial inspection, does the inspector confirm that the unit qualifies as a single-family property (1-4 units) under the program?			
11. Are there adequate procedures for identifying projects that do not meet the minimum investment thresholds?			
12. Are there adequate procedures for identifying projects that exceed the maximum investment of HOME funds?			
13. Are after-rehabilitation value estimates determined by qualified staff or fee appraisers?			

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14. Are there adequate procedures for assessing whether properties are located in target areas?			
D. PROPERTY STANDARDS			
15. Do work write-ups, inspection documentation, and other construction documentation in the project files demonstrate that all applicable property standards are being observed?			
16. Does the program observe recognized standards for construction work?			
17. Are there procedures to ensure that completed work meets all applicable property standards?			
18. Are there procedures to carry out required inspections?			
E. ELIGIBLE COSTS			
19. Do work write-ups, proposals, and contracts in the project files show that all costs are allowable and any fees are reasonable?			
20. Are there adequate written procedures for evaluating construction proposals to check that all costs are allowable?			
F. CONTRACTOR SELECTION			
21. If the PJ selects the contractors, is a competitive bid process used? (i.e., was there a public invitation for bids, was an effort made to solicit at least three bids? Were bids reviewed using consistent criteria?)			
22. Were the proposals selected cost reasonable (i.e., within 10 percent of the original cost estimate)?			
23. Are there procedures to verify that contractors have not been suspended or debarred from work on projects receiving Federal funds during the time of project work?			
24. Are any contractors used that were suspended or debarred?			
25. Is a list of pre-qualified contractors maintained? If yes:			
a. Are the contractors regularly reviewed to assure continued eligibility?			
b. Are any contractors on the list currently debarred or suspended from receiving Federal funds?			
26. Does the program involve a sufficient number of contractors given its volume?			

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G. CONSTRUCTION MANAGEMENT			
27. Are preconstruction conferences held with contractors and homeowners?			
28. Do construction documents show that all work was approved, completed, and inspected prior to payment?			
29. Does a spot-check of project files indicate that the HOME minimum and maximum limits have been applied properly?			
H. INCOME VERIFICATION			
29. Do files contain evidence that regular inspections of projects were completed to assess the progress of rehabilitation work?			
30. Are procedures for construction management adequate? (e.g., construction delays and canceled projects not excessive)			
31. Is a contingency incorporated in the construction contract?			
32. Is there a retainage (holdback) for each payment?			
33. Is there a system for reviewing requests for change orders?			
34. Are properly executed change orders used?			
35. Does someone other than the person doing the inspection authorize all change orders? (if applicable)			
36. Do any HOME funds need to be repaid due to ineligible expenses?			
37. Are there arbitration/grievance procedures to resolve disputes between the contractor and PJ?			
38. Are there adequate procedures for resolving disputes between the contractor and the homeowner?			
39. Are final payments made only after all work is completed?			
40. Are there adequate construction contract close-out procedures, including:			
a. final invoice?			
b. statements from all subcontractors on the project?			
c. contractor non-kickback certificate?			
d. waivers of liens releasing the project from lien action?			
e. certificate of final completion?			

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	Y	N	
H. LOAN PROCESSING AND SERVICING			
41. Are the loans being made under the PJs program consistent with its objectives and local needs?			
42. Did homeowner sign all loan agreements?			
43. If the loans were used for refinancing, did the project files document that the household's overall housing costs were reduced?			
44. If any significant event occurred, such as foreclosure or retirement of debt, were these events recorded in the project files?			
45. Were all loan instruments properly executed and recorded?			